



Arizona State Retirement System

## **EXTERNAL AFFAIRS COMMITTEE**

**September 13, 2013**



A COMPONENT UNIT OF THE STATE OF ARIZONA ■ DELIVERING SERVICE WITH PRIDE

# How...

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## **ASRS Employees Deliver Service With PRIDE!**

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### **PROFESSIONALISM**

*We promote, strive for and expect individuals, teams, and divisions to possess professional qualities and skills to lead the organization.*

- Displays a friendly, respectful and courteous demeanor even when confronted by adversity
- Has proactive and responsive approach to internal and external customer needs
- Possesses good communication and active listening skills
- Is a trusted contributor (manager, leader, SME, analyst, teammate)
- Takes personal accountability • Has subject matter expertise
- Has critical thinking skills • Has an honest, fair, non-judgmental mind-set
- Is adaptable to beneficial change • Adheres to the ASRS Code of Conduct

### **RESULTS**

*We treasure the achievements of individuals, teams, divisions and the agency that energize the organization.*

- Meets goals and objectives
- Completes projects
- Produces quality work products
- Satisfies customers
- Attains individual accomplishments
- Manages risks successfully

### **IMPROVEMENT**

*We appreciate individuals, teams or divisions who drive the agency forward with new, innovative ideas and solutions.*

- Promotes new ideas
- Enhances outcomes and performance
- Solves problems
- Enhances morale
- Improves relationships
- Increases efficiency, effectiveness or reduces costs

### **DIVERSITY**

*We recognize that utilizing different talents, strengths and points of view, strengthens the agency and helps propel outcomes greater than the sum of individual contributors.*

- Encourages an attitude of openness and a free flow of ideas and opinions
- Treats others with dignity and respect
- Works effectively to accomplish goals with teams comprised of dissimilar individuals
- Recognizes and promotes skills in others attained on and off the job

### **EXCELLENCE**

*We celebrate individuals, teams and divisions who exceed expectations and deliver service with a PRIDE that permeates the organization.*

- Surpasses member, stakeholder and associate expectations
- Demonstrates a willingness to go the extra mile to engender a positive public image
- Embraces change in a manner that inspires others
- Accepts responsibility and challenges with enthusiasm
- Takes a personal interest in promoting teamwork through effective use of communication (verbal, non-verbal, written and technological techniques)
- Creates a motivated, healthy and productive work environment that celebrates and rewards the accomplishments of others



## **ARIZONA STATE RETIREMENT SYSTEM**





# ARIZONA STATE RETIREMENT SYSTEM

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*Paul Matson*  
Director

## AGENDA

### NOTICE OF PUBLIC MEETING OF THE ARIZONA STATE RETIREMENT SYSTEM EXTERNAL AFFAIRS COMMITTEE

3300 North Central Avenue, 14<sup>th</sup> Floor Conference Room  
Phoenix, AZ 85012

September 13, 2013  
10:30 A.M. Arizona Time

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the Trustees of the Arizona State Retirement System (ASRS) External Affairs Committee (EAC) and to the general public that the ASRS External Affairs Committee will meet on September 13, 2013, beginning at 10:30 A.M. in the 14<sup>th</sup> Floor Conference Room of the ASRS office, 3300 North Central Avenue, Phoenix, AZ, 85012. Trustees of the Board Committee may attend either in person or by telephone conference call.

This is a regularly scheduled meeting of the External Affairs Committee; however, due to possible attendance by other ASRS Board Trustees, this meeting may technically become an Operations and Audit Committee meeting and a meeting of the ASRS Board. Actions taken will be consistent with External Affairs Committee governance procedures and no business of the Operations and Audit Committee will be transacted. Actions requiring Board authority will be presented to the full Board for final decision.

The Chair may take public comment during any agenda item. If a member of the public wishes to speak to a particular agenda item, he or she should complete a Request to Speak form indicating the item and provide it to the Committee administrator.

This meeting will be teleconferenced to the ASRS Tucson office at 7660 East Broadway Boulevard, Suite 108, Tucson, Arizona 85710. The conference call to Tucson will be disconnected after 15 minutes if there are no attendees in the Tucson audience.

The Agenda for the meeting is as follows:

1. Call to Order; Roll Call; Opening Remarks ..... Mr. Kevin McCarthy  
Chair, External Affairs Committee
2. Approval of Minutes of the May 10, 2013 EAC Meeting ..... Mr. Kevin McCarthy
3. Presentation, Discussion, and Appropriate Action Regarding 2014 Legislative  
Initiatives.....Mr. Paul Matson  
Director  
.....Mr. Patrick M. Klein  
Assistant Director, External Affairs Division  
..... Ms. Lesli Sorensen  
Government Relations Officer

ASRS staff will present and discuss potential 2014 ASRS legislative initiatives.

4. Call to the Public ..... Mr. Kevin McCarthy

Members of the public wishing to speak to the Committee should complete a Request to Speak form, available at the sign-in desk, indicate the topic, and provide it to the Committee administrator.

The Chairperson may allow public comment regarding an agenda item during the discussion of that item. All questions/comments not relating to a particular item will be taken during the Call to the Public.

Trustees of the Committee are prohibited by A.R.S. § 38-431.01(G) from discussing or taking legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and action. As a result of public comment, the Committee may direct staff to study and/or reschedule the matter for discussion and decision at a later date.

5. Adjournment of the ASRS External Affairs Committee

A copy of the agenda background material provided to Committee Trustees (with the exception of material relating to possible executive sessions) is available for public inspection at the ASRS offices located at 3300 North Central Avenue, 14th Floor, Phoenix, Arizona, and 7660 East Broadway Boulevard, Suite 108, Tucson, Arizona. The agenda is subject to revision up to 24 hours prior to meeting.

Persons with a disability may request a reasonable accommodation such as a sign language interpreter or alternate formats of this document by contacting Tracy Darmer, ADA Coordinator at (602) 240-5378 in Phoenix, at (520) 239-3100, ext. 5378 in Tucson or 1-800-621-3778, ext. 5378 outside metro Phoenix or Tucson. Requests should be made as early as possible to allow time to arrange the accommodations.

Dated September 6, 2013

ARIZONA STATE RETIREMENT SYSTEM

\_\_\_\_\_  
Gayle Williams  
Committee Administrator

Date

\_\_\_\_\_  
Paul Matson  
ASRS Director

Date



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*Paul Matson*  
Director

## SUMMARY OF A PUBLIC MEETING OF THE ARIZONA STATE RETIREMENT SYSTEM EXTERNAL AFFAIRS COMMITTEE

**HELD ON**  
**May 10, 2013**  
**10:30 a.m., Arizona Time**

The External Affairs Committee (EAC) of the Arizona State Retirement System (ASRS) met in the 14th Floor Conference Room of the ASRS Office, 3300 North Central Avenue, Phoenix, AZ, 85012. Mr. Kevin McCarthy, Chair, called the meeting to order at 10:30 a.m., Arizona Time.

This meeting was teleconferenced to the ASRS Tucson office at 7660 East Broadway Boulevard, Suite 108, Tucson, Arizona, 85710.

### **1. Call to Order; Roll Call; Opening Remarks**

Present: Mr. Kevin McCarthy, Chair – Via Teleconference  
Mr. Tom Manos – Via Teleconference  
Mr. Brian McNeil – Via Teleconference  
Dr. Richard Jacob – Via Teleconference

A quorum was present for the purpose of conducting business.

### **2. Approval of Minutes of the April 12, 2013 EAC Meeting**

**Motion:** Mr. Tom Manos moved to approve the minutes of the April 12, 2013 EAC meeting.

Mr. Brian McNeil seconded the motion.

By a vote of 4 in favor, 0 opposed, 0 abstained, and 0 excused, the minutes were approved.

### **3. Presentation, Discussion, and Appropriate Action Regarding 2013 Legislation**

Mr. Patrick Klein, Assistant Director of External Affairs, introduced Ms. Lesli Sorensen, Government Relations Officer, who presented the Committee with an update on the ASRS 2013 Legislation, informing the Committee of legislation proposing changes to statutes governing the ASRS which includes:

- Survivor Benefits
- Amortization Period
- Spousal Consent Clarification

- Member Identity Security
- Health Insurance Program Self-insurance
- Permanent Benefit Increases
- Long-Term Disability Plan
- Ineligible Employees
- Superior Court Commissioners

Ms. Sorensen provided additional information on the following bills:

- SB1170 (Retirement; ASRS; Amendments) [Signed by Governor.]
- HB2562 (public retirement systems; ineligible employees)
- HB2608 (EORP; closure; defined contribution)

#### **4. Call to the Public**

No members of the public requested to address the Committee.

Mr. McCarthy adjourned the meeting at 10:36 a.m.

Respectfully Submitted by,

\_\_\_\_\_  
Zachary Kucera                      Date  
Committee Secretary

\_\_\_\_\_  
Patrick M. Klein                      Date  
Assistant Director, External Affairs Division



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*Paul Matson*  
Director

## MEMORANDUM

**TO:** The Arizona State Retirement System (ASRS) External Affairs Committee (EAC)

**FROM:** Mr. Paul Matson, Director  
Mr. Patrick M. Klein, Assistant Director, External Affairs Division  
Ms. Lesli Sorensen, Government Relations Officer

**DATE:** September 6, 2013

**RE:** **Agenda Item #3:** Presentation, Discussion and Appropriate Action Regarding 2014 Legislative Initiatives

### **Purpose**

To discuss potential ASRS 2014 legislative initiatives.

### **Recommendation**

Information item only; no action required.

### **Background**

During the summer, the External Affairs Division (EAD) received legislative suggestions from ASRS staff and Trustees concerning plan design issues; plan inefficiencies, inconsistencies, and inequities; administrative concerns; and others. The EAD researched and discussed each suggestion in conjunction with Trustees, Executive Management, and other internal staff. Staff is presenting these items in advance of the October 11, 2013, EAC meeting, during which staff will seek approval to proceed to the ASRS Board.

**Arizona State Retirement System**  
**2014 Legislative Issues**  
**Working Draft – Subject to Modification**

**Administration**

- New Employee Background Checks
- Operating Budget
- § 415 Rewrite Technical Changes
- § 38-955 DC Plan Technical Changes

**Long-Term Disability (LTD) Program**

- LTD Compensation Definition
- LTD Program Plan Design Changes

**Membership**

- § 218 Eligibility Requirement

**Plan Design**

- Early Retirement Reductions
- Return to Work



# **2014 Legislative Issues**

## **ADMINISTRATION**

### **New Employee Background Checks**

Issue/Suggestion: Permit the ASRS to conduct criminal background checks for all new hires. Permit the ASRS to conduct credit checks for new hires into accounting, investment, and other finance-related positions.

Recommendation: Move Forward

Position: Support

Reasoning: ASRS staff have access to the personal information of over 500,000 people, and some have access to thousands of financial transactions and billions of dollars. Many public and private employers regularly conduct background checks to lower the risk of theft and fraud.

*Administrative Preliminary Estimate:* Approximately \$120 annually for the background check service.

*Actuarial Preliminary Estimate:* None expected.

### **Operating Budget**

Issue/Suggestion: Classify the ASRS's appropriated operating budget as non-lapsing on an annual basis, and require Board approval of expenditure of non-lapsed dollars.

Recommendation: Move Forward

Position: Support

Reasoning: This would give the ASRS greater autonomy and flexibility over the budget while maintaining legislative oversight.

*Administrative Preliminary Estimate:* None expected.

*Actuarial Preliminary Estimate:* None expected.

### **§ 415 Rewrite Technical Changes**

Issue/Suggestion: Adjust last year's IRS-required § 415 rewrite with another required change.

Recommendation: Move Forward

Position: Support

Reasoning: A definition was excluded that is necessary for the proper administration of the Plan.

*Administrative Preliminary Estimate:* None expected.

*Actuarial Preliminary Estimate:* None expected.

### **§ 38-955 DC Plan Technical Changes**

#### **Issue/Suggestion:**

1. Clarify that eligibility for the § 38-955 Defined Contribution Retirement Plan is conditioned upon not being covered by the State's § 218 Agreement because the employee is exempt by a mandatory retirement plan exclusion.
2. Require the "alternative agreement" to be entered into within 30 days of employment and before an appeal of ASRS's determination of eligibility.
3. Require the employer to determine whether to cover retirees from another statewide retirement system or plan within 30 days of employment.

**Recommendation: Move Forward**

**Position: Support**

**Reasoning:** As the ASRS has been implementing the new § 38-955 Defined Contribution Retirement Plan, a few administrative issues have arisen. Item 1 is a change to conform with the intent of the plan's eligibility requirements, and items 2 and 3 are clarifications to conform with the provisions of the Plan Statement.

*Administrative Preliminary Estimate:* None expected.

*Actuarial Preliminary Estimate:* None expected.

## **LONG-TERM DISABILITY PROGRAM**

### **LTD Compensation Definition**

Issue/Suggestion: Correct a statutory conflict between the definition of compensation and its usage within the statutes. [The proposal will conform the definition to the ASRS's current practice, which takes the six pay periods before the date of disability, drops the high and low, and uses the median to determine compensation amount.]

**Recommendation: Move Forward**

**Position: Support**

Reasoning: Conflicts within the statutes should be addressed, and conforming to existing procedure is prudent.

*Administrative Preliminary Estimate:* None expected.

*Actuarial Preliminary Estimate:* None expected.

### **LTD Program Plan Design Changes**

Issue/Suggestion: Modify the LTD Program Plan Design for new disabilities:

- Use a longer Final Average Salary calculation for determining LTD benefits.
- Reduce the income replacement level.

**Recommendation: Move Forward**

**Position: Neutral, since this could be deemed to a benefit modification (albeit only for future disabilities)**

Reasoning: Modifying the LTD Program Plan Design may reduce the upward pressure on the contribution rate, and may provide benefits that are more comparable with other states and the private sector.

*Administrative Preliminary Estimate:* Not yet requested.

*Actuarial Preliminary Estimate:* Not yet requested.

## MEMBERSHIP

### § 218 Eligibility Requirement

#### Issue/Suggestion:

1. Eliminate the ASRS eligibility requirement that employees must be covered by the State's § 218 Agreement.
2. Amend statutes and work with IRS to grandfather currently misenrolled employees.
3. Sunset the § 38-955 Defined Contribution Retirement Plan.

**Recommendation:** Move Forward/Continue to gather input and other ideas from stakeholders

**Position:** Likely Support

**Reasoning:** The ASRS has been working with external stakeholders for over two years to address the issues surrounding ASRS eligibility, especially with respect to the § 218 Agreement. It appears that eliminating the § 218 requirement as a condition of ASRS membership may be a solution to resolving enrollment problems. The ASRS has also been working with outside tax counsel to address concerns over currently misenrolled employees and whether it may be possible to grandfather them in ASRS. Lastly, if the § 218 requirement is eliminated, the new § 38-955 Defined Contribution Plan may no longer be necessary.

*Administrative Preliminary Estimate:* There may be administrative costs to request a Private Letter Ruling from the IRS and related legal costs.

*Actuarial Preliminary Estimate:* None expected.

## PLAN DESIGN

### Early Retirement Reductions

Issue/Suggestion: Equalize the early retirement reductions that are in place for new members hired on or after July 1, 2011, by adding 5% to the reductions for members retiring with 25-29.99 years of service and adding 30% to the reductions for members retiring with 30 or more years of service.

#### Current Early Retirement Reductions (Pre-July 1, 2011 Members)

Age	Years of Credited Service															
	5 Months - 4.9 Years	5 - 9.9 Years	10 - 17 Years	18	19	20	21	22	23	24	25	26	27	28	29	30
48	Not Eligible	Not Eligible	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E
49	Not Eligible	Not Eligible	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	100%
50	Not Eligible	35%	44%	44%	44%	50%	50%	50%	50%	50%	50%	50%	91%	94%	97%	100%
51	Not Eligible	40%	49%	49%	49%	55%	55%	55%	55%	55%	55%	91%	94%	97%	100%	100%
52	Not Eligible	45%	54%	54%	54%	60%	60%	60%	60%	60%	91%	94%	97%	100%		100%
53	Not Eligible	50%	59%	59%	59%	65%	65%	65%	65%	91%	94%	97%	100%			100%
54	Not Eligible	55%	64%	64%	64%	70%	70%	70%	91%	94%	97%	100%				100%
55	Not Eligible	60%	69%	69%	69%	75%	75%	91%	94%	97%	100%					100%
56	Not Eligible	65%	74%	74%	74%	80%	91%	94%	97%	100%						100%
57	Not Eligible	70%	79%	79%	79%	91%	94%	97%	100%							100%
58	Not Eligible	75%	84%	84%	91%	94%	97%	100%								100%
59	Not Eligible	80%	89%	91%	94%	97%	100%									100%
60	Not Eligible	85%	94%	94%	97%	100%			100% of Retirement Benefit							100%
61	Not Eligible	88%	97%	97%	100%											100%
62	Not Eligible	91%	100%	100%												100%
63	Not Eligible	94%	100%													100%
64	Not Eligible	97%	100%													100%
65	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

#### Current Early Retirement Reductions (Post-July 1, 2011 Members)

Age	Years of Credited Service																						
	Fewer Than 5 Years	5 - 9.9 Years	10 - 17.99 Years	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35		
48	Not Eligible	Not Eligible	Not Eligible	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E		
49	Not Eligible	Not Eligible	Not Eligible	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E	N/E		
50	Not Eligible	35%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%	44%		
51	Not Eligible	40%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%	49%		
52	Not Eligible	45%	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%	54%		
53	Not Eligible	50%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%	59%		
54	Not Eligible	55%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%		
55	Not Eligible	60%	69%	69%	69%	69%	69%	69%	69%	69%	69%	69%	69%	69%	69%	69%	100%	100%	100%	100%	100%		
56	Not Eligible	65%	74%	74%	74%	74%	74%	74%	74%	74%	74%	74%	74%	74%	74%	100%					100%		
57	Not Eligible	70%	79%	79%	79%	79%	79%	79%	79%	79%	79%	79%	79%	79%	79%	100%					100%		
58	Not Eligible	75%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	84%	100%					100%		
59	Not Eligible	80%	89%	89%	89%	89%	89%	89%	89%	89%	89%	89%	89%	89%	89%	100%					100%		
60	Not Eligible	85%	94%	94%	94%	94%	94%	94%	94%	94%	100%	100%	100%	100%	100%						100%		
61	Not Eligible	88%	97%	97%	97%	97%	97%	97%	97%	97%	100%										100%		
62	Not Eligible	91%	100%	100%	100%	100%	100%	100%	100%	100%				100% of Retirement Benefit									100%
63	Not Eligible	94%	100%											100% of Retirement Benefit									100%
64	Not Eligible	97%	100%																		100%		
65	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		



Age	Years of Credited Service				
	Fewer Than 5 Years	5 - 9.9 Years	10 - 24.99 Years	25 - 29.99 Years	30+ Years
48	Not Eligible	Not Eligible	Not Eligible	Not Eligible	Not Eligible
49	Not Eligible	Not Eligible	Not Eligible	Not Eligible	Not Eligible
50	Not Eligible	35%	44%	44%	44%
51	Not Eligible	40%	49%	49%	49%
52	Not Eligible	45%	54%	54%	54%
53	Not Eligible	50%	59%	59%	59%
54	Not Eligible	55%	64%	64%	64%
55	Not Eligible	60%	69%	69%	100%
56	Not Eligible	65%	74%	74%	100%
57	Not Eligible	70%	79%	79%	100%
58	Not Eligible	75%	84%	84%	100%
59	Not Eligible	80%	89%	89%	100%
60	Not Eligible	85%	94%	100%	100%
61	Not Eligible	88%	97%	100%	100%
62	Not Eligible	91%	100%	100%	100%
63	Not Eligible	94%	100%	100%	100%
64	Not Eligible	97%	100%	100%	100%
65	100%	100%	100%	100%	100%

**Current for Post-July 1, 2011**

Age	Years of Credited Service				
	Fewer Than 5 Years	5 - 9.9 Years	10 - 24.99 Years	25 - 29.99 Years	30+ Years
48	Not Eligible	Not Eligible	Not Eligible	Not Eligible	Not Eligible
49	Not Eligible	Not Eligible	Not Eligible	Not Eligible	Not Eligible
50	Not Eligible	35%	44%	49%	74%
51	Not Eligible	40%	49%	54%	79%
52	Not Eligible	45%	54%	59%	84%
53	Not Eligible	50%	59%	64%	89%
54	Not Eligible	55%	64%	69%	94%
55	Not Eligible	60%	69%	74%	100%
56	Not Eligible	65%	74%	79%	100%
57	Not Eligible	70%	79%	84%	100%
58	Not Eligible	75%	84%	89%	100%
59	Not Eligible	80%	89%	94%	100%
60	Not Eligible	85%	94%	100%	100%
61	Not Eligible	88%	97%	100%	100%
62	Not Eligible	91%	100%	100%	100%
63	Not Eligible	94%	100%	100%	100%
64	Not Eligible	97%	100%	100%	100%
65	100%	100%	100%	100%	100%

**2014 Proposed Reductions**

**Recommendation: Move Forward**

**Position: Support**

**Reasoning:** When the point system was eliminated as a Normal Retirement Age, the early retirement reduction factors became significantly age-based, and appear to be less favorable to members retiring with higher service. This proposal would decrease the reductions for members with longer service, providing enhanced equity.

*Administrative Preliminary Estimate:* Some work required.

*Actuarial Preliminary Estimate:* The ASRS actuary predicts that this suggestion will increase the present value of ASRS's liabilities by approximately \$14.4 million over a 30-year period. This results in an increase in the total (EE + ER) contribution rate of 0.00% to 0.03%, peaking around FY2040.

### **Return to Work**

**Issue/Suggestion:** In order to comply with the IRS's new Normal Retirement Regulations set to take effect on January 1, 2015, only permit retirees who are over Age 62 to return to work as direct employees of an employer and receive their pension. Retirees under Age 62 who wish to return to work for a public employer would have the option of suspending their pension, working through a leasing agent, or entering into an employment contract. Apply the new requirements to anyone who is not in a return to work status. Make enactment conditional upon the Normal Retirement Regulations taking effect.<sup>4</sup>

**Recommendation: Move Forward**

**Position: Support**

Reasoning: It appears that in order to comply with the new regulations, the ASRS should eliminate instances of “in-service distributions,” which occurs when a person returns to work directly for an ASRS employer without suspending their pension before Age 62.

*Administrative Preliminary Estimate:* Requested, not yet known.

*Actuarial Preliminary Estimate:* Not yet requested.

## **OTHER PROPOSALS SUGGESTED FOR CONSIDERATION BY THE ASRS'S**

### **ACTUARY:**

- Eliminate Term Certain and Life Forms of annuities and Pop-ups, and expand Joint & Survivor options to x%, y%, z% (x% represents the percentage continuation to the member after the beneficiary's death, y% represents the percentage continuation to the beneficiary after the member's death, and z% represents the annual inflation increase).
- Accrue HBS over a longer period for new members, i.e., 25% after 10 years and 5% for each year from 10-25.
- Allow members to participate in open enrollments until age 65, then irrevocable opt-in or opt-out.
- Institute a 5-year vesting requirement for new hires after 6/30/14.
- Modify the Normal Retirement Age to 60 +25, 62 + 15, or Social Security Normal Retirement Age. Modify Early Retirement to 55 + 5. Apply to new hires after 6/30/14. Modify early retirement reductions to conform.

## **OTHER POTENTIAL PROPOSALS FROM OTHER PARTIES THAT MAY IMPACT THE ASRS:**

- Defined Contribution or Hybrid Plans
- Liability Valuation Methodologies
- Employer Withdrawal
- Police/Fire Membership
- Employee Salary Restrictions